Finance Report Summary, Financial Year 2018/19
November 2018

Description	YTD	April	May	Jun	July	Aug	Sept	Oct	Nov	*YTD*	D	J	F	M	Remaining Budget	Budget	YEAR END
	RAG RATING	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	*£'000*					£'000	£'000	RAG RATING
DP FEE INCOME	G	1,901	2,995	3,583	3,293	3,241	3,308	4,335	3,430	***26,086***					13,475	**39,561**	G
GRANT IN AID	G	313	313	395	313	313	395	313	313	***2,665***					1,961	**4,626**	G
OTHER INCOME	G	- 0	0	0	- 0	4	1	1	1	***7***					122	**129**	G
OFFICE COSTS	G	133	148	183	139	195	144	156	179	***1,277***					1,092	**2,369**	G
STAFF COSTS	G	1,752	1,849	1,926	2,091	2,763	2,347	2,499	2,467	***17,696***					11,178	**28,874**	A
TRAINING AND RECRUITMENT	G	49	188	82	128	145	60	120	129	***900***					364	**1,264**	G
IT COSTS	G	224	223	254	176	194	503	234	391	***2,199***					1,351	**3,550**	G
PROJECT SPEND	G	103	76	175	129	60	128	- 266	126	***530***					820	**1,350**	G
COMMUNICATIONS	G	169	30	56	38	45	41	36	56	***469***					320	**789**	G
FINANCIAL COSTS	G	20	3	3	13	22	13	6	14	***94***					30	**124**	G
TRAVEL	G	50	63	76	56	20	71	76	122	***533***					209	**743**	G
LEGAL, PROFESSIONAL & OTHER	G	364	351	159	323	186	275	201	319	***2,178***					1,022	**3,201**	A
															-		
CAPITAL SPEND	G	-	-	-	-	-	-	389	17	***405***					245	**650**	G
SURPLUS		- 789	379	1,064	372	- 212	- 19	1,057	- 216	**-**						**-**	A
CASH BALANCE	G	1,950	2,561	4,383	3,562	3,471	3,790	4,604	4,648	***3,494***						**3,132**	G

Key	RAG RATING
On track	G
Not on track but expected to be at budget at year end/risk at year end	A
Not expected to be at budget at year end	R

Executive Summary

Income

With current levels of Data Protection Fee Income the ICO is forecasting a year end outturn of £39.6m. The fee income is being tracked on a weekly basis and is set at a prudent level for the remainder of the year. If additional income is received then there will be a review on a monthly basis against levels of expenditure.

There are no concerns as to the recovery of other income as this represents all of our secured Grant in Aid funding, Regulatory Pioneers funding and Telephone Preferences Service management changes.

Expenditure

Most expenditure is tracking to budget however there are a number of key areas that need to be kept under close review.

The most significant area of cost is staffing, the remaining budget for the year assumes that recruitment now levels off after significant growth in staff numbers. There are is also an assumed amount of budget set aside to furnish the pay progression work. The pay progression work would allow for backdating of pay for eligible staff and actual amounts will only be known when the new pay policy is implemented

Another area of planned significant spend is around accommodation. Sandfield House lease has now been signed, however we will not take leaseholder responsibilities until it is handed over post completion of dilapidations. The expectation is that we will look to kit out the office in terms of infrastructure over the closing months of the year within our current budget and look to add the final furnishings at the start of the next financial year to avoid an impact on our revenue and capital budget.

There is ongoing costs associated with our investigatory work and at present all associated costs are included within the full year budget. There is potential risk to these costs if there are additional high costs investigations required before the year end and also if current investigations become protracted and prolonged.

Cash Flow

Cash flow is forecast is based on the budgeted timings of cash in and out of the business. Whilst we expect there to be changes as the budget evolves, we do not foresee any material issues with our cash flow.

The largest fluctuations in our cash flow tend to occur due to payment of large Civil Monetary Penalties and the quarterly consolidated payment to DCMS made up of those fines that the ICO cannot retain. This will be bolstered once the first Fees Penalty Notices go out to late/ non payers however the volumes are not expected to be material within this first year.

Heather Dove
December 2018